

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

-----  
Mount Union Post Office, )  
Mount Union, Iowa 52644 )  
----- )

Docket No. A2012-84

REPLY COMMENTS OF THE PUBLIC REPRESENTATIVE

(February 7, 2012)

I. INTRODUCTION

On December 13, 2011, the Commission issued Order No. 1040<sup>1</sup> which accepted the Petitioners' appeals of the Postal Service's final determination to close the Mount Union Post Office and established a procedural schedule to adjudicate the appeal. Pursuant to the procedural schedule, the Postal Service filed the Administrative Record on December 14, 2011<sup>2</sup> and filed comments regarding the appeal on January 23, 2012.<sup>3</sup> These Public Representative comments respond to the Postal Service's Comments and

---

<sup>1</sup> Order No. 1040 - Notice and Order Accepting Appeal and Establishing Procedural Schedule, December 13, 2011 (Order).

<sup>2</sup> United States Postal Service Notice of Filing Administrative Record, December 14, 2011 (Administrative Record). The Postal Service's final determination to close the Mount Union Post Office is Item No. 47 of the Administrative Record (Final Determination).

<sup>3</sup> United States Postal Service Comments Regarding Appeal, January 23, 2012 (Postal Service Comments).

are in support the Petitioners' appeals seeking to remand the Postal Service's Final Determination to close the Mount Union, Iowa Post Office.

## II. CALCULATION OF REVENUE

In its comments, the Postal Service argues that one of the reasons that it decided to close the Mount Union Post Office is low revenue. Postal Service Comments at 4. However, a review of the Administrative Record demonstrates that the Postal Service did not accurately calculate the Mount Union Post Office's revenue. Final Determination at 2. In particular, the Postal Service's calculation for "office receipts" revenue for FY 2008, FY 2009, and FY 2010 cited in the final determination does not include revenue from the Mount Union Post Office's three permit and postage meter customers. This is particularly important in this case because one of the Petitioners is secretary of the United Methodist Church, a Mount Union Post Office permit holder. She states that due to the closure, "we (the church) could make the decision to quit distributing our monthly newsletter."<sup>4</sup> This fact also does not appear to be considered as part of the Postal Service's decision making process.

If the Postal Service<sup>5</sup> had considered this revenue as part of its determination, the Postal Service may have decided that the office was not a low revenue office and that keeping the facility open was the best course of action. Accordingly, the Commission should remand the Final Determination back to the Postal Service to accurately calculate the revenue of the Mount Union Post Office and consider, taking into account the correct revenue figures, whether the facility should remain open.

---

<sup>4</sup> Petition for Review Received from Amanda Mullin Regarding the Mount Union, IA Post Office 52644 at 1 (Mullin Petition). The Postal Service recognizes the filing of the Mullin Petition, Postal Service Comments at 6, but it does not address her contention that the Church might stop mailing its monthly newsletters or otherwise point to where in the Administrative Record or Final Determination the Postal Service considers the fact that there is a serious risk that a result of closing the facility, it could receive less revenue.

<sup>5</sup> It appears that the final Postal Service decision maker for post office closings is Dean J. Granholm. Any decisions by Postal Service staff at lower management levels seem to be intermediary and not binding on the Postal Service. Final Determination at 11.

### III. CALCULATION OF COST SAVINGS ESTIMATES

In his comments, Petitioner Johnson asserts that the cost savings estimates relied upon by the Postal Service in making its Final Determination to close the Mount Union Post Office are incorrect because the Postal Service used the inflated salary and benefits for a career Postmaster instead of the salary and benefits of the Officer in Charge who has been managing the facility for the past 4.5 years.<sup>6</sup> The Postal Service argues that using the inflated Postmaster's salary and benefits for a Postmaster's salary is appropriate because, if the Post Office is not discontinued, "that slot would eventually have been filled with a career employee." Postal Service Comments at 10. This argument is disingenuous. An Officer in Charge has been operating the Mount Union Post Office since 2007 – approximately 4.5 years. If the Postal Service had any plans to fill the postmaster position, it would have done so in the past 4.5 years. There is, effectively, no longer a career Postmaster position here. The Postal Service needs to stop pretending that one exists to inflate its cost savings estimates.

The Commission has repeatedly told the Postal Service to use the appropriate costs for currently operating facilities, not fictitious costs.<sup>7</sup> In the past several hundred appeals filed with the Commission, the Postal Service has not corrected this inaccuracy despite the Commission's repeated, clear instructions. It appears that the only way for the Commission to convince the Postal Service to follow its instructions in these situations is to remand the final determinations to have the Postal Service reevaluate the proposal to close in light of the appropriate cost savings estimates.

---

<sup>6</sup> Petition for Review Received from Ben Johnson Regarding the Mount Union, IA Post Office 52644 at 1 (Johnson Petition).

<sup>7</sup> See *e.g.*, Docket No. A2012-5 Order Affirming Final Determination, January 26, 2012 at 11 ("The Commission has previously observed that the Postal Service should include in its estimate of savings those costs likely to be eliminated by the closing.").

#### IV. DECISION TO CLOSE MAY HAVE BEEN A *FAIT ACCOMPLI* PRIOR TO THE FINAL DETERMINATION

In her letter, Petitioner Mullin argues that the closing procedures appeared to be a “technicality” and that the Postal Service “made up [their] minds long before” the community meeting. Mullin Petition at 1. The Postal Service asserts that local field personnel could not predetermine the outcome because the final determination was made by headquarters. Postal Service comments at 4 n.7.

First, the Postal Service’s response completely ignores the possibility that headquarters could have predetermined the outcome and then communicated this to local personnel prior to the community meeting. Second, there is evidence in the record that suggests that Petitioner Mullin might have a point. The Public Representative would like to direct the Commission’s attention to Item No. 15 of the Administrative Record. Administrative Record No. 15 at 1. This “Post Office Survey Sheet,” which is dated April 25, 2011 shows that the termination date of the lease for the Mount Union Post Office is April 30, 2011 – a mere 5 days later than the date the survey sheet was completed. *Id.* Had the Postal Service not yet decided to close the facility, it would likely have attempted to renew the lease – at least for a short period of time – while the Postal Service thoroughly studied whether the facility should remain open.

Similarly, the survey sheet reveals that the Postal Service may not have considered alternatives to closure. In response to the question “Are suitable alternatives available for an independent post office,” the answer on the survey sheet stated “NA Management Initiated Study.” *Id.*

#### V. CONCLUSION

For the reasons discussed above in these reply comments, the Public Representative supports the Petitioners’ appeals seeking to remand the Postal Service’s Final Determination to close the Mount Union, Iowa Post Office.

Respectfully Submitted,

/s/ Robert Sidman

Robert Sidman

Public Representative for  
Docket No. A2012-84

901 New York Avenue, N.W., Suite 200  
Washington, DC 20268-0001  
(202) 789-6827; Fax (202) 789-6891  
e-mail: [robert.sidman@prc.gov](mailto:robert.sidman@prc.gov)